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SUBJECT: MEDIA REACTION: U.S.-CHINA MILITARY RELATIONS, U.S. SPACE
PROGRAM, RMB APPRECIATION, IRAN

Editorial Quotes

11. U.S.-CHINA MILITARY RELATIONS

"U.S. and Chinese military shake hands at the Pentagon"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(10/28)(pg 1): "During the visit of Chinese military leaders to the U.S., the U.S. opened up rarely-seen, secret military bases, but the U.S. still complained about China's lack of military transparency. Chinese military expert Song Xiaojun said that letting China visit secret military bases is like showing off several pieces of luxurious jewelry, but cannot solve the real issue of the U.S. stepping on China's toes over the Taiwan issue. Another expert, Dai Xu, argued that the U.S. itself cannot be as completely transparent as it is requiring China to be. The U.S. seldom explains its military intentions to China, such as the frequent incidents caused by the U.S. in China's sea territory. The visit this time intends to clear up misunderstandings and promote bilateral military exchanges. Jin Canrong, Deputy Director of Institute of International Relations at People's University of China, said that U.S.-China military relations are especially fragile due to the ideological differences between the two countries. Obstacles in U.S.-China military exchanges come from U.S. distrust towards China. The U.S. attitude this year towards China is quite positive and related to the speed of China's military modernization. China should play this card well."

12. U.S. SPACE PROGRAM

"U.S. postpones launch of its biggest rocket"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(10/28)(pg 16): "The U.S. still leads the global aviation industry. A Chinese expert said that the U.S. is capable of quickly advancing rocket technology. The launch of the rocket (Ares IX) will show that the most advanced, new generation manned aerospace project in the world has finally entered the implementation phase. The launching of the rocket also represents a major change in U.S. space strategy. The U.S. has suffered significant losses in developing spaceships, and thus has had to give up on spaceships and turn instead to developing large propulsion rockets. A Chinese expert said that this change shows that the future of the space race will be centered on big rockets. However, another expert argued that if some of the spaceships' technological problems can be solved the U.S. may come back to spaceships again in the future."

13. RMB APPRECIATION

"U.S. dollar's losing streak putting increased pressure on RMB to appreciate"

The Shanghai-based Shanghai Media Group (SMG) publication, China

Business News (Diyi Caijing)(02/03)(pg A1): "The exchange rate issue has always been an issue of politics rather than simply prices. While the global financial crisis is fading away, there is once again increased pressure from the international community for the RMB to appreciate. This shows different countries' different national interests. Chinese experts argued that when many governments find implementation of stimulus policies difficult to continue, they turn to depreciating their currencies or urging their opponents to appreciate their currencies in order to increase the competitiveness of their exports. An analyst at Standard Chartered Bank said that China's trade surplus is decreasing this year, which reduces the appreciation pressures on the RMB. However, in face of the increasing international pressure, China may give in and initiate a substantive appreciation of the RMB in December."

14. IRAN

"IAEA concludes investigation; Iran's nuclear crisis enters a new period"

The Shanghai-based Shanghai Media Group (SMG) publication, China Business News (Diyi Caijing)(02/03)(pg A4): "Movement on the Iranian nuclear crisis is to some extent the result of Obama's personal efforts in acting as a coordinator among the great powers, rather than the IAEA, to implement 'smart power diplomacy.' In fact, though, games being played and deals being made between the great powers are really what is behind Obama's 'smart power diplomacy.' Many believe that Russia's acceptance of [IAEA Director General Mohammed] El-Baradei's plan at the four-nation meeting in Vienna was a reward for the U.S. giving up its missile defense system in Eastern Europe. Some say the U.S has also tried to make a deal with China by asking Saudi Arabia to increase its oil supply to China.

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China has always insisted on resolving the Iran issue peacefully through negotiations. Although the Iranian nuclear issue is developing in a positive direction, it is difficult to solve in the near term due to the issue's historical baggage, the uncertainty of the games between the great powers, and Iran's geo-strategic location."

HUNTSMAN